

5. Reporting of GHG Reductions

Reporting occurs throughout the MERVC process and refers to *measured* GHG and non-GHG benefits and costs of a project (in some cases, organizations may report on their *estimated* impacts, prior to project implementation, but this is not the focus of these guidelines).¹ Reporting guidelines for each of the Kyoto Protocol's flexibility mechanisms (e.g., joint implementation (Article 6), Clean Development Mechanism (Article 12), and emissions trading (Article 17)) are to be developed by the Conference of Parties.

The Framework Convention on Climate Change's (FCCC) Subsidiary Body for Scientific and Technological Advice (SBSTA) developed a Uniform Reporting Format (URF) for activities implemented jointly under a pilot program; the format was approved by the SBSTA as part of the implementation of the FCCC (SBSTA 1997). In completing the URF, the project proposers need to estimate the projected emissions for their project baseline scenario and project activity scenario. They must estimate cumulative effects for carbon dioxide, methane, nitrous oxide, and other greenhouse gases. This format contains a section on benefits (environmental and socioeconomic) which requires quantitative information; qualitative information is acceptable when quantitative information is not available. Project developers need to describe how their project is compatible with, and supportive of, national economic development and socioeconomic and environmental priorities and strategies. Furthermore, the URF requests information on the "practical experience gained or technical difficulties, effects, impacts or other obstacles encountered" (either quantitatively or qualitatively). The impacts include environmental or socioeconomic impacts. This type of information will continue to be necessary, since sustainable development is one of the principal goals of the Clean Development Mechanism (Section 8).

We have developed a Monitoring and Evaluation Reporting Form (MERF) that we recommend that evaluators use when reporting changes in carbon stock (Appendix B). It is expected that the MERF will be distributed to project participants, the host country, the investor country, the FCCC Secretariat, and the CDM Executive Board. Project developers and evaluators may modify this form based on their past experience in using similar forms. The MERF complements, but does not substitute for, the SBSTA's URF. In completing the MERF, in addition to providing basic contact information and a description of the project, evaluators need to present the estimated and measured changes in carbon stock for the project baseline and the project activity cases, and net changes in carbon stock.

¹ Appendix A contains an Estimation Reporting Form that provides some guidance to project developers at the design stage; however, we expect that additional information will need to be provided for registering a project.

Evaluators also need to provide information on the precision of the results, the data collection and analysis methods used in re-estimating the baseline and in calculating changes in carbon stock; in particular, how estimates of free ridership, project leakage, positive project spillover, and market transformation were estimated (where calculated). Evaluators must provide information on key uncertainties affecting all estimates of changes in carbon stock. At the end of the MERF, evaluators are asked to provide information on environmental and socioeconomic impacts and indicate whether there is consistency between environmental laws, environmental impact statements and expected environmental impacts.

5.1. Multiple Reporting.

Several types of reporting might occur in forestry projects: (1) impacts of a particular project could be reported at the project level and at the program level (where a program consists of two or more projects); (2) impacts of a particular project could be reported at the project level and at the entity level (e.g., a utility company reports on the impacts of all of its projects); and (3) impacts of a particular project could be reported by two or more organizations as part of a joint venture (partnership) or two or more countries. The MERF reports project results, although these results could be combined with other project results for reporting at the program or entity level. To mitigate the problem of multiple reporting, project-level reporters should indicate whether other entities might be reporting on the same activity and, if so, who. If there exists a clearinghouse with an inventory of stakeholders and projects, multiple reporting might not constitute a problem. For example, in their comments on an international emissions trading regime, Canada (on behalf of Australia, Iceland, Japan, New Zealand, Norway, Russian Federation, Ukraine and the United States) proposed a national recording system to record ownership and transfers of assigned amount units (i.e., carbon offsets) at the national level (UNFCCC 1998b). A synthesis report could confirm, at an aggregate level, that bookkeeping was correct, reducing the possibility of discrepancies among Parties' reports on emissions trading activity.